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Chris Argyris

The Individual and Organization: An Empirical Test

The objective of this study is to begin to test certain aspects of the organizational framework outlined in the June, 1957, issue of the Quarterly. Several a priori hypotheses are defined and "tested" in an industrial organization of three hundred employees. Some of these hypotheses are tentatively confirmed, while others are not. An analysis is made to discover those that are not confirmed, with the result that the "exceptions to the rule" can be shown to help validate the theoretical framework.¹

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INCREASING emphasis is being placed by behavioral scientists on developing a valid systematic theory of human behavior in organizations to go beyond the scope of traditional organizational theory based on such principles as task specialization, chain of command, unity of direction, and span of control. Such a theory should have as its objectives the understanding of *any* organization having a formal structure, such as schools, churches, labor unions, governmental agencies, hospitals, armed services, volunteer organizations, and industrial organizations.

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One of the central problems in the development of such a theory is related to the understanding of the mechanisms by which the individual actualizes himself through the organization and simultaneously the organization actualizes itself through the individual.²

During the past several years the author has been focusing on the problems of the simultaneous expression of these two multi-level, coexisting unities, with the assumption that neither the individual nor the organization can be understood as a discrete and independent variable. Thus the mental health of the individual (a central interest in this research) cannot be understood independently of the effectiveness of the organization. The unit of study is not the individual or the organization; it is the individual-organization.

The term organization as used here is not limited to the formal organization chart, which deals with the intended activities of the organization. To these must be added (1) all the activities individuals manifest to express their personality, (2) all the informal activities designed by the individuals to help them adapt to the formal structure, (3) all the activities designed by the individuals to fulfill their idiosyncratic needs, and finally (4) all the activities that are a resultant of the interaction. (Or, as L. K. Frank suggests, organization includes the *transaction* of the individual, informal, and formal activities.)³

Although an organization is the resultant of many interrelated and multilevel variables interacting simultaneously, it cannot be understood by studying all the relevant variables simultaneously. Adequate research methodologies are simply not available to conduct such research. A method found useful by the writer is to begin with the interaction of a few variables. Once these are understood, predictions can be made about the probable resultants of their fusion. This process is continued until the researcher has evolved a network of variables that seems adequate to explain the complexity he is trying to understand.

As a first step toward the enumeration of the relevant variables plus their interrelationships, the available research literature was

²E. W. Bakke has defined these activities as the fusion process. See *The Fusion Process* (New Haven, 1955).

³Chris Argyris, *Personality and Organization* (New York, 1957).

read and analyzed. Empirical data were gathered, and from these propositions were induced. These propositions are reported in detail elsewhere.⁴ A cursory view is presented below to provide the reader with some understanding of the framework used in conducting the research reported in this paper.

CURSORY VIEW OF THE FRAMEWORK

1. The development of the human personality can be hypothesized to follow the directions and dimensions outlined in the following model. It is assumed that human beings in our culture tend to develop from infants to adults—from:

a) A state of passivity to a state of increasing activity. This is what Erikson⁵ has called self-initiative and Bronfenbrenner⁶ self-determination.

b) A state of dependence upon others to a state of relative independence. Relative independence is the ability to “stand on one’s own two feet” and simultaneously to acknowledge healthy dependencies.⁷ It is characterized by the liberation of the individual from his childhood determiners of behavior (e.g., family) and developing his own set of behavioral determiners. The individual does not tend to react to others (e.g., the boss) in terms of patterns learned during childhood.⁸

c) Having erratic, casual, shallow, quickly dropped interests to having deeper interests. The mature adult tends to analyze and study phenomena in their full-blown wholeness, complexity, and depth.⁹

d) Being capable of behaving only in a few ways to being capable of behaving in many different ways.¹⁰

⁴*Ibid.*

⁵E. H. Erikson, *Childhood and Society* (New York, 1950).

⁶Urie Bronfenbrenner, “Toward an Integrated Theory of Personality,” in Robert R. Blake and Glen B. Ramsey, *Perception* (New York, 1951), pp. 206–257.

⁷This is similar to Erikson’s “sense of autonomy” and Bronfenbrenner’s “state of creative interdependence.”

⁸Robert W. White, *Lives in Progress* (New York, 1952), pp. 339 ff.

⁹*Ibid.*, pp. 347 ff.

¹⁰Lewin and Kounin believe that, as the individual develops needs and abilities, the boundaries between them become more rigid. This explains why an adult is better able than a child to be frustrated in one activity and behave constructively in another. See Kurt Lewin, *A Dynamic Theory of Personality* (New York, 1935);

e) Having a short-time perspective (that is, the present largely determines behavior) to a much longer time perspective where the behavior is more affected by the past and the future.¹¹ Bakke cogently describes workers and their families and the variety of foresight practices by means of which they seek to secure the future.¹²

f) Being in a subordinate position in the family and society to aspiring to an equal or superordinate position relative to their peers.

g) A lack of an awareness of self to an awareness of, and control over, self. The adult who tends to experience adequate and successful control over his own behavior tends to develop a sense of integrity (Erikson) and feelings of self-worth.¹³ Bakke¹⁴ shows that one of the most important needs of workers is to enlarge those areas of their lives in which their own decisions determine the outcome of their efforts.

2. Most human problems in organizations arise because relatively healthy people in our culture are asked to participate in work situations which coerce them to be dependent, subordinate, submissive and to use few of their more than superficial abilities.

3. There are three major sets of variables which cause dependence. The formal organization structure is the first variable and includes the technology; directive leadership is the second; and managerial controls (budgets, incentives systems, quality control, motion and time studies) is the third.

4. The degree of subordination that these variables cause tends to increase as one goes down the chain of command and as the organization takes on the characteristics of mass production.

5. Healthy human beings in our culture tend to find subordination frustrating. They would prefer to be relatively independent, to be active, and to use many of their deeper abilities, aspiring to

and Jacob S. Kounin, "Intellectual Development and Rigidity," in R. Barker, J. Kounin, and H. R. Wright, eds., *Child Behavior and Development* (New York, 1943), pp. 179-198.

¹¹Kurt Lewin also cites the billions of dollars that are invested in insurance policies ("Time Perspective and Morale," in *Resolving Social Conflicts* [New York, 1948], pp. 105).

¹²E. W. Bakke, *The Unemployed Worker* (New Haven, 1940).

¹³Carl R. Rogers, *Client-centered Therapy* (New York, 1951).

¹⁴Bakke, *Unemployed Worker*, pp. 29, 247.

positions equal to, or higher than, their peers. Frustration leads to regression, aggression, and tension; these in turn lead to conflict (the individual prefers to leave the organization but fears leaving). Moreover, it can be shown that under these conditions the individual will tend to experience psychological failure and short-time perspective.

6. Individuals will adapt to frustration and conflict by creating any one of a combination of the following informal activities:

- a) Leave the situation (absenteeism and turnover).
- b) Climb the organizational ladder.
- c) Become defensive (daydream, become aggressive, develop grievances, regress, project grievances, feel a low sense of self-worth).
- d) Become apathetic, disinterested, non-ego-involved in the organization and its formal goals.
- e) Create informal groups to sanction the defense reactions in (c) and (d).
- f) Formalize the informal groups in the form of trade unions.
- g) De-emphasize the importance of self-growth, creativity, and so forth and emphasize the importance of money and other material rewards.
- h) Accept the ways of behaving outlined above as being proper for their life outside the organization.

7. Management¹⁵ will tend to view most of the informal activities as detrimental to the formal organization. They will tend to resist the informal activities by tightening the formal organization structure, increasing the directive leadership and the managerial controls.

8. Such reactions will tend to increase the employees' subordination, which in turn will increase their frustration, failure, and similar reactions, which in turn will increase the informal activities. Thus one has a circular process in seemingly perpetual motion.

THE TEST SITUATION

In a firm of nearly three hundred employees there are two major divisions. One, department A, includes primarily employees whose jobs represent highly skilled crafts, in which an individual must

¹⁵I use the word management to represent any administrator in a formal organization.

apply difficult skills to produce a whole or almost a whole, highly complex product. The second, department B, includes jobs that are primarily unskilled and semiskilled. The formal organization policies, leadership, and controls are the same for both departments; the difference lies in the technology. The jobs in department B are composed of automatic and semiautomatic tasks where the employee performs very little creative work; for the most part he feeds the machines. In department A most of the work is highly skilled and performed by hand; when a machine is used, it is still the skill of the craftsman that is the crucial variable.

According to our theory the technology of department A provides its employees with greater opportunity to be more mature than does the technology of department B. More specifically department A differs from department B in that the latter's technology has many of the mass production characteristics. The employees in A use more of their important abilities than do the employees in B. If the theoretical framework is valid, employees in department B should express more absenteeism, turnover, apathy, submissiveness, and so forth; whereas employees in department A should tend to be more creative, to learn more, to have a greater sense of self-worth, and to develop more lasting friendships.

Implicit in these hypotheses are two assumptions. The first, stated at the outset, is that the individual-organization is a unity. In order to focus on the individual's actualization we must also focus on the demands of the organization. In this particular study we begin by focusing on the demands made by two different types of technology in two departments within the organization. The second assumption is that the organization is such a pervasive variable that it can coerce psychologically different people to behave in similar ways. Thus it is assumed that all employees in departments A and B who perceive their world as we assume it exists ought to behave as we hypothesize they will behave. The individuals, in turn, will influence the organization by modifying its present formal structure or by adding new aspects to it or both.

Thirty-four employees from department A and ninety employees from department B comprise the sample. The schedules of the questions used are semistructured. They outline specific areas which ought to be covered but leave the interviewer free to decide

upon the sequence of the questions.¹⁶ The interviews are held in the plant on company time. Notes are taken during the interview and recorded immediately at the end of the day. Interviews are held on different days of the week for a period of seven months.

The analysis of the data takes many forms. First there is an analysis of each interview to evolve a picture of aspects of each employee's personality and his life space from his point of view. Second, departmental scores are compiled for all the questions to understand the nature of each department's social system. Finally, these scores are combined to create a picture of the organization as a social system. These data provide the basis for an analysis that leads to an understanding of the nature of the total organization.¹⁷ This however, is not the objective of the research reported in this paper. Here we focus on testing certain specific hypotheses derived from a theoretical framework.

We begin with the impact of the organization on the individual and then give some indications of how the individual modifies the organization.

EVIDENCE THAT THE EXPERIMENTAL CONDITIONS EXIST FOR THE EMPLOYEES

The design of the study calls for a priori predictions about employee behavior in departments A and B. Before the hypotheses can be tested, however, we must show some evidence that the employees perceive the differences between A and B as we assume they do. The researcher's assumption of differences are based upon management's job-classification structure. It is one thing for management to classify the jobs in department A as skilled and department B as nonskilled and to pay the employees according to these classifications. It is quite another for the employees to perceive these differences, to experience them in the same way as does management.

In department A (high skill) 94 per cent of the employees report that they have jobs in which they experience "plenty of variety"

¹⁶For a more detailed discussion see Chris Argyris, *Human Problems in a Large Hospital* (New Haven, 1956).

¹⁷A monograph is being written that provides detailed discussion of the research methods and an analysis of the organization as a social system. This work is tentatively entitled "Theory and Method of Diagnosing Organizational Behavior."

and "as much variety as they can handle or more." Only 13 per cent in department B report similar results. Eighty-seven per cent of the employees in department B and only 6 per cent in department A report that they have jobs which are "completely routine," "dull," "monotonous," "with little if any variety."

Further evidence is obtained by analyzing the data related to perceived personal satisfaction about their jobs. Eighty-five per cent of the employees in department B (low skill) and 17 per cent in department A report that they obtain "no satisfactions from their work excepting good wages." Eighty-three per cent of the employees in department A and 15 per cent in department B report that they gain, "much personal satisfaction because they have challenging and creative work."

A few qualitative examples to illustrate the differential feelings are:

I think the satisfaction I get is to know that I have done a job well. I like to do a perfect job; I like to feel something's done really good; it's really perfect. When I take a look at a piece that I can tell has been made well, I get a real sense of satisfaction. [Department A]

If the work is all right then I make money, and that's my biggest satisfaction. If I don't, I get pissed off. What else is there to be satisfied about. I learned long ago the only thing you can get out of a good job is good pay. [Department B]

The only reason I work is to make more money. No other reason. Some guys (damn few) say they work for pleasure. They must be bats. How the hell am I supposed to get satisfaction from my job. I'd just as soon go out and dig holes, at least I'd be in the fresh air. [Department B]

A second assumption made by the research design is that the degree of subordination required of the employees by the leadership and the controls will not vary significantly between departments A and B. These assumptions must also be verified from the employees' point of view.

As to leadership, 75 per cent of the employees in B and 81 per cent in A view the leadership as "excellent because they hardly ever bother us, because they continually try to help us earn good wages and have secure jobs." In discussing the contacts they have

with management 64 per cent in B and 68 per cent in A regard the management as being "friendly," "down to earth," "interested in the employees," and "continually striving to make the employees feel they are not simply machines."

Turning to controls we find that almost no employees in either department describe the budgets as pressuring them. One explanation of this may be that the budget system is only a few months old. As to the incentive system, 67 per cent in department B and 62 per cent in department A view the piece rates as "being fair," "some rates tough, some easy, but the over-all average is fair," and "wish they were slightly higher but this is not a complaint." Finally as an over-all indication of the degree of pressure the employees feel, 92 per cent in department B and 100 per cent in department A report that they "never or hardly ever experience pressure."

In terms of the measures above it seems reasonable to assume that the degree of subordination required of the employees by the leadership and the controls in departments A and B does not vary significantly between the departments. This implies nothing about the amount of dependence and submissiveness perceived by the employees, but only that, whatever the amount, it is about equal in both departments.

HYPOTHESES CONFIRMED BY THE RESEARCH

In this section the hypotheses confirmed by the research are stated and followed by the evidence confirming them.

Hypothesis 1: Employees in A will tend to express a stronger desire to produce high-quality work and more concern about the quality of their products than employees in B.

Eighty-five per cent of employees in A report needs to produce high-quality work, while only 11 per cent report the same in B ($p = .0001$).¹⁸ These needs are inferred from an individual content analysis made of each interview.¹⁹

¹⁸The probability of obtaining by chance a difference as large as that reported is computed by employing statistical procedures appropriate for use with independent proportions. See Quinn McNemar, *Psychological Statistics* (New York, 1955), p. 60.

¹⁹The problems of reliability and validity with respect to the inferences that the analyst makes of the predispositions of the respondent are to be discussed in the monograph cited in note 17; a preliminary discussion may be found in the author's hospital study cited in note 16.

Hypothesis 2: Employees in A will express a greater involvement and interest in their work than employees in B.

One measure of involvement in the kind of work is the extent to which the individual expresses a desire to learn more about his particular job or jobs within the same family of jobs. Forty per cent in A report a need to learn more while none report the same in B ($p = .0001$).

Hypothesis 3: Employees in A will tend to place less emphasis on the importance of money as a reward than do the employees in B.

It should be clear that the prediction is not that employees in A will not place emphasis on the importance of money. Thus both sets of employees will need wages, but employees in B should express greater need. In other words employees in A will place less emphasis on wages than employees in B. The hypothesis implies that we are measuring different degrees of importance of a need for an individual.²⁰ A scale of degree of potency with 0 for no potency, 1 for regular potency, 2 for high potency, and 4 for extremely high potency is used.

Assuming the scale to be meaningful, one should predict that although the departments should not differ significantly in the desire for money, employees in B should place greater potency in the need for money than the employees in A. If we arbitrarily divide the degree of potency into two categories where zero and regular potency are grouped together as low potency, and high and extremely high potency are combined as high potency the following results on the potency of money are obtained:

	<i>A</i>	<i>B</i>	<i>Statistical significance</i>
Low potency	30.0%	13.0%	$p = .05$
High potency	70.0%	87.0%	$p = .05$

Added evidence to confirm the trend expressed in the results above comes from the replies the employees give to the question, "What do you like best about the company?" If money is more important for employees in B than in A, then one would predict that more employees in B than A will report money as being "the

²⁰A detailed discussion of the criteria used to determine into which category a response falls plus the concomitant problems of reliability and validity is also included in the references mentioned previously.

thing they like best about the company." The results confirm the hypothesis. Fifty-nine per cent of the employees in B report money to be the item they like best, whereas only 38 per cent in A report a similar choice ($p = .05$).

More indirect evidence that employees in B place more emphasis on money and other material rewards is obtained in examining the employees' view of their wages. Since both departments' take-home pay is higher than most of the similar departments in other plants in the corporation, and since both departments make the highest wages, as measured by the community standard, for their respective skill classification, one would expect that the employees in both departments should be relatively equally content with their wages. However, according to our theory, department B should express greater dissatisfaction than department A over wages that by objective standards are considered equally high. The data confirm this expectation. Seventy per cent in A are satisfied with their wages, but only 43 per cent in B ($p = .01$). None of the employees in A, but 18 per cent in B, classify their wages as unsatisfactory ($p = .01$).

Hypothesis 4: Since the employees in B are in a work world requiring behavior nearer the infantile side of our model of personality growth, they should, if adapted to this work world, view themselves as having more needs allied to the "infant" side of the model than to the mature side.

In A 91 per cent report needs for variety and challenge in their work, while only 39 per cent in B report similar needs ($p = .0001$).

In A 97 per cent report that "relative independence" (control over their work world) is important to them, while 87 per cent in B report similar needs. Although the difference here is in the predicted direction, it is not statistically significant. It is possible, however, that employees in A place a greater emphasis upon relative independence than do employees in department B. An analysis of the potency of relative independence for each department should show that employees in A place greater potency on this than the employees in B:

	<i>A</i>	<i>B</i>	<i>Statistical significance</i>
Low potency	15.0%	48.0%	.0001
High potency	85.0%	52.0%	.0001

Fifty per cent of employees in A express a need to initiate action for others, while only 9 per cent do in B ($p = .0001$). Turning to the infant end of the continuum, we find that only 6 per cent of the employees in A express a need for routine work, "where I do a few and similar things all the time," while 74 per cent in B report similar needs ($p = .0001$). Only 12 per cent of the employees in A report a need to be left completely alone, while 98 per cent of the employees in B report the same need ($p = .0001$). Only 47 per cent of the employees in A report a need to receive directions, to be passive, while 95 per cent of the employees in B report the same need ($p = .0001$).

Hypothesis 5: If the model of personality growth is valid, then mature adults, who have been coerced by organizational demands to become less mature and who have succumbed to this coercion, will tend to express a low sense of self-worth. Since the organization demands more "infant" behavior of the employees, we hypothesize that the employees in B will have a lower sense of self-worth than the employees in A.

Ninety-one per cent of the employees in A report that they have many abilities to offer, that these abilities are very important, to their company or any other company that they join. None of the employees in B report such a sense of self-worth ($p = .0001$). On the contrary 81 per cent in B (and only 9 per cent in A) report that they have nothing much to offer except a few abilities that they learned on the job ($p = .0001$). These abilities they classify as simple, unimportant, easily learned by anyone:

Me, I ain't got much to offer. This job doesn't require any skill. Any num-skull can learn it.

Well, I guess I know how to count and how to take a lot of tension [smiles]. What else can a guy learn on such a job.

Hypothesis 6: Department B should have greater amounts of spoiled work and extra operations than department A.

Evidence to test this hypothesis comes from data collected by the cost-control department. At the beginning of each month each department defines for itself what it believes to be reasonable standards in terms of spoiled work and extra operations. At the end of the month each department's estimated score is compared with its actual performance. If the total amount of spoiled work

and extra operations is higher than the estimated score, a minus sign is placed before the difference between each department's estimate and its actual performance. If this hypothesis is valid, then the amount with the minus sign in front of it should be higher for B than for A in a comparison of estimated and actual scores.

	<i>Department A</i>	<i>Department B</i>
Extra operations	+259	—2733
Spoiled work	+ 33	— 832

Hypothesis 7: If we hypothesize that people with a higher sense of self-worth will tend to be more willing to admit their limitations than those who have a lower sense of self-worth, then one would predict a greater willingness on the part of the employees in A to blame themselves for their errors.

One hundred per cent of the employees in A report that when errors occur they are probably the result of their own haste to get out a particular quantity to earn a particular rate for the day. Only 10 per cent in B view the cause of errors in a similar light, while 51 per cent in B blame other departments for the cause of errors, waste, and scrap ($p = .0001$).

Hypothesis 8: From current personality theory, one can hypothesize that employees having a high sense of self-worth and obtaining important (to them) satisfactions (department A) should make friendships that endure outside the work place, whereas employees who do not obtain deep personal satisfactions on the job and who have "simplified" their personality (department B) will make few enduring friendships within the plant.

Eighty-one per cent of the employees in B and only 40 per cent in A report that they do not form close friendships ($p = .0001$). Eighteen per cent of the employees in B but 60 per cent in A report they have made very close friendships while working in the plant ($p = .0001$). (There is no significant difference in years of service between the two groups.)

No, no I wouldn't say that I have real close friends. But after all, my only interest here is money. I don't know if this makes much sense to you, but I have working friends and I have real friends. My working friends, they're nice people, they leave me alone; I send them a Christmas card, you know that kind of thing.

I try to be friendly to everybody, and say hello. I think I give the impression that I haven't any enemies. But I wouldn't say that I have any close friends either.

Hypothesis 9: It is hypothesized from the theoretical framework that the employees with a greater sense of self-actualization will also tend to be more creative and productive outside the organization.

During the interviews employees are asked to discuss their activities outside the plant. Two general categories emerge from the data. The first category of activities includes those that may be viewed as not requiring much creative thought and that permit an individual to be passive, quiet, and alone. Examples are "watching TV," "stay at home and read the papers," "trim the lawn," "work around the house," and the like. The second category includes activities that require more skill and are viewed by the people as being challenging. Examples are cabinet making, electrical work, plumbing, and reading.

If the hypothesis is valid, then one would expect to find more employees of department A in the relatively more creative category and more of B employees in the noncreative category. The data confirm the hypothesis. Ninety-three per cent in B and only 12 per cent in A report noncreative outside activities ($p = .0001$). Seven per cent in B and 80 per cent in A report creative activities ($p = .0001$).

It is interesting that even the creative activities tend distinctly toward permitting the individuals to be alone. There are few people in either department who report experiencing creative *interpersonal* activities outside the organization. In the case of the very top management, however, where the opportunity for self-actualization is maximized, many examples are found of outside creative interpersonal activities, for example, school boards, church committees, service organizations, and so forth.

These results are predicted by the theory. Since both departments experience about the same amount of subordination, as a function of the leadership and controls, personal actualization obtained in A comes not in the interpersonal sphere but in the technical sphere. Interestingly the creative activities reported by employees in A are also in the technical sphere. It is only in man-

agement, where the primary contacts are interpersonal, that a proportionally higher interest in social and service activities outside the plant is found.

DATA INCONSISTENT WITH THE THEORY

Not all the data collected are consistent with the hypotheses derived from the theory. Specifically, according to the theory, we should find significantly higher absenteeism, and turnover, in B than in A. Also employees in B should have significantly less desire than the employees in A to become executives, to be involved in the objectives and survival of the organization. Finally employees in B should desire to unionize more than do employees in A.

The data do not confirm these hypotheses. The absenteeism, turnover, and transfer in both A and B are so low that the company does not keep central records of their incidence.

Turning to the desire for upward mobility, one finds that 50 per cent in A and 55 per cent in B report that upward mobility is not possible, nor do they desire it. Thirty-eight per cent in B and 38 per cent in A agree in the "triple factors" that upward mobility is not possible, was once possible, but is no longer desired.

One measure of the degree of involvement in the interests of the plant is obtained by asking the employees what information they would like to have about the company that would help them to understand it better and to help them contribute more directly to its growth. Ninety-four per cent in B and 94 per cent in A reply that they do not want any more information about the company, nor do they have any involvement in the company's problems. "We've got a good management. This is their company, I am sure they can handle the company's problems. They'll ask us whatever they want from us," is typical of the attitudes expressed in both departments. Another (but much more indirect measure) of non-involvement in the formal organization is the fact that 95 per cent in B and 100 per cent in A report they do not have any suggestions to improve their responsibility. "Management is the one who worries about changing our jobs."

Finally, no union exists within the company. A number of attempts to unionize the plant have failed, having met equal resistance from employees in A and B.

If the theory being tested is valid, it should provide an explanation of these exceptions. The exceptions to a theory should help to test the theory. A fundamental hypothesis of the theory is that informal activities such as absenteeism, turnover, and so on will occur as employees are not able to actualize themselves. According to the model these informal activities should increase as the expression of the employees' predispositions is blocked. If this is so, then a hypothesis can be inferred that predispositions must exist that are very important to the employees, *and* that the employees must be obtaining adequate expression of them.

A method of inferring personality predispositions from interview data was developed.²¹ Predisposition is defined as a tendency to act in a particular situation. The predispositions are inferred from the interview data. The analyst combs the interview for any themes from which he can infer the desires that the participant wishes to satisfy while at work. A predisposition is not assumed to be as basic as the "needs" or "need system" postulated by many psychologists. Their concept of "need" usually refers to those predispositions (to use our term for the moment) that are more genotypic.

The predispositions inferred were:

Togetherness in relation to the other employees. The feeling that the employees like each other without knowing each other or experiencing close human relationships.

Wages guaranteeing a fair standard of living and a secure job. The level of wages desired is that comparable for similar work in the community. The degree of security desired is having a permanent job during the most difficult depression periods.

Noninvolvement in the formal activities of the organization. The need not to feel responsible for anything about the organization except one's specific job. This does not include the individual's attitudes toward productivity. It includes such needs as being uninterested in upward mobility, the financial health of the organization, and so forth.

Control over one's own immediate work environment. This includes the need to be left alone by the boss and by the managerial controls.

²¹See monograph cited in note 17 for discussion of how predispositions are inferred.

Passiveness in relation to the boss and the demands of the organization, preferring to receive directions rather than direct others.

Aloneness in relation to other employees. The need to have, ideally, no interaction with other employees.

Variety in one's work. The need to perform many and different tasks while at work.

Routine in one's work. The need to perform few and similar tasks while at work.

High-quality work. The desire to aspire toward high-quality workmanship.

Directive toward others. The desire to initiate action for others.

Generalist in one's work. The desire to perform at a high level of proficiency all the jobs within the job family in which one works.

Turning to the two departments, we find in Table 1 the needs important for each.

Table 1. Frequency of choice: Predispositions of employees in departments A and B.

Predispositions	Important		Very important		Extremely important		Total	
	A	B	A	B	A	B	A	B
Control	12.0*	35.0	35.0	37.0	50.0	16.0	97.0	88.0
Noninvolvement	40.0	7.0	32.0	36.0	25.0	43.0	97.0	86.0
Togetherness	44.0	43.0	32.0	31.0	21.0	17.0	97.0	91.0
Variety	65.0	00.0	21.0	00.0	6.0	00.0	92.0	00.0
Wages	27.0	3.0	35.0	37.0	27.0	50.0	89.0	90.0
High-quality work	41.0	00.0	39.0	00.0	6.0	00.0	86.0	00.0
Directive	51.0	00.0	00.0	00.0	00.0	00.0	51.0	00.0
Generalist	12.0	00.0	15.0	00.0	3.0	00.0	30.0	00.0
Aloneness	00.0	42.0	00.0	49.0	00.0	7.0	00.0	98.0
Passiveness	00.0	95.0	00.0	00.0	00.0	00.0	00.0	95.0
Routine	00.0	75.0	00.0	00.0	00.0	00.0	00.0	75.0

*Figures expressed in per cent (N = 34).

If a rank order of predispositions is constructed for each department where the degree of importance is taken into account (as

well as the frequency of choice), the predispositions order themselves as follows.

A

1. Control
2. Wages
3. Noninvolvement
4. Togetherness
5. High-quality work
6. Variety
7. Generalist
8. Directive

B

1. Wages
2. Noninvolvement
3. Togetherness
4. Control
5. Passiveness
6. Routine

The data suggest that for the total employee group (A and B) the most important predispositions are wages, job security, and no unfair pressure from management and fellow employees. These predispositions, the reader may recall, are being fulfilled for all employees in the plant. The wages are high, if not the highest in the community; the company has a long history of providing steady work, the most steady in the community; the management has the reputation of not being pressure oriented; and the majority of the employees report no close friendships in the plant.

Also, according to the tables presented, there are several predispositions peculiar to the employees in each department. Employees in A need "to perform high-quality work," "to experience variety," and "to be generalists." Employees in B need "to be left alone," "to be passive," and "to experience routine or sameness" in their work. In short, both sets of employees are having their needs fulfilled. Since the most important employee needs are being fulfilled, why should the employees "fight" their organization by leaving, being absent, or asking for transfers?

This conclusion is supported by an analysis of the individual self-actualization scores constructed for each employee.²² These scores purport to be a quantitative representation of the degree to which each employee perceives an opportunity to express his predispositions while within the plant. As seen in the following table most of the employees in both departments obtain self-actualization scores of seventy and over on a possible scale of zero to one

²²For details of the scoring methods used see monograph cited in note 17.

hundred. To put it another way, "morale" is equally high in both departments because the employees' needs, even though some differ dramatically, are being fulfilled.

Frequency of individual self-actualization scores

Score	0-49.5	50-54.5	55-59.5	60-64.5	65-69.5	70-74.5
A	00	2.9%	2.9%	00	5.9%	5.9%
B	00	1.1%	1.1%	3.3%	8.9%	16.7%
Score		75-79.5	80-84.5	85-89.5	90-94.5	95-100
A		8.8%	23.6%	20.6%	14.7%	8.8%
B		11.1%	16.7%	21.1%	10.0%	10.0%

SOME IMPACTS OF THE INDIVIDUAL ON THE ORGANIZATION

A few examples of the impact of the individual on the organization are relevant in order to illustrate the basic assumption that the individual-organization consists of two inseparable variables.

In the analysis it is pointed out that the employees in both departments report the same four predispositions, for wages, job security, no unfair pressure from management, and superficial interaction with their fellow employees. Since these predispositions are important to the employees and since no formal sanction exists to guarantee their existence, the employees create an informal culture that makes it acceptable and correct for the employees to ask for these four norms. Because the norms are respected by the employees and the management, the employees express high personal satisfaction. This satisfaction leads to high loyalty to the plant, low turnover, low absenteeism, low grievances, and adequate (in the view of management) productivity.

The importance of the informal employee culture is communicated by the employee through what might be called a psychological work contract. This contract binds the employee to produce satisfactorily and to remain loyal, if the management fulfills his predispositions and respects the informal culture.

Although the management does not formally train its foremen to be passive and to let the workers alone, much in the culture coerces and rewards such behavior in the foremen. First, all foremen have in the past been employees; thus all foremen have been

deeply affected by the employee culture. Consequently, the foremen report that they realize the best way to achieve acceptable production levels is to follow the rules implicit in the psychological work contract. Thus 91 per cent report that in order to be effective they should apply minimum pressure on the employees and strive continually to keep them working so that they earn the wages to which they are accustomed. Over 87 per cent of the employees agree with these conclusions. They define an "understanding foreman" (one who is oriented toward the needs of the employees) as one who does not pressure people, who is fair in the distribution of easy and tough jobs, who hardly ever contacts the employees, who never becomes upset and yells at the employees, and who, if necessary, can help the employee in technical production problems. These data are confirmed by the replies to another question, where 67 per cent of the foremen mention technical skills as being most important while only 27 per cent mention human leadership skills as being most important.

It is interesting to note that the employees do not require of their foremen nor do the foremen show, as many students of human relations (including the writer) suggest they should, human relations skills such as sensitivity to feelings, self-awareness, listening, and the like. They simply want a foreman who will keep them busy and relatively free from involvement in the company. The foremen realize this and behave accordingly.²³ This leads to a relatively simple if not primitive type of leadership where interpersonal wisdom is not required. After many years of behaving in such a simplified leadership role, the foremen no longer feel it necessary to desire creative responsibilities. They no longer aspire to make responsible decisions; indeed most foremen do not make major decisions. They view themselves as decision carriers rather than participants in decision making. The higher executives make the major decisions, because in top management's eyes the foremen do not show initiative. From the foremen's point of view, they cannot show initiative, but must be passive leaders as required by the unwritten contract. Management therefore feels it must

²³For an analysis of varying kinds of leadership style, see Howard Baumgartel, Leadership Style as a Variable in Research Administration, *Administrative Science Quarterly*, 2 (1957), 344-360.

keep close control over the foremen. Although the employees report almost no pressure at all, 93 per cent of the foremen report experiencing pressure all the time. Fifty per cent say they are never their own boss and the other fifty per cent report they are their own boss as much as they desire. When one inquires more deeply into how much they do desire to be their own boss, all except two would agree with the answer given by one foreman, "to be honest, not much."

Interestingly the pressure and control from the top management make the foremen the most dependent, subordinate, and submissive participants studied. This pressure disturbs the foremen, but being a part of management, they find it difficult to be critical or to become apathetic and indifferent toward the top management.

The pressure from top management and the dissatisfaction in the foreman's job tend to inhibit lower-level employees from aspiring to be foremen. For example:

No, I don't want to be a foreman. First of all I don't believe that they're really foremen. They don't make the decisions, somebody else does. These guys are, I don't know how else to put it, they're just like a jack-ass. You know, you whip it, and you tell it what to do, and that's what they do. On top of that, there's not enough money. But even if they gave me all the money I wanted, I wouldn't take that kind of a job.

Another factor that makes it even less necessary for the foremen to be skillful leaders is the incentive system. Most production employees are on an individual piece-rate system. The fear of not making a "day's pay" and the desire to make a week's pay similar to or a little (not too much) better than the previous week become the primary motivations for most employees, determining how much they will produce. There is little need for supervision from foremen. In this plant the incentive system works as intended, up to a point. It stops working according to plan when the employees reach what they believe is a fair day's work. Their production then eases off and the employee turns in at the end of the day a production record that will give him the amount of money he usually receives. Thus although the theory of the incentive system is that there is no maximum and that the individual performance will vary according to the abilities of the employee, in practice each employee restricts his production and places the excess production

for a given day in his "kitty" or a "bank." He draws on the kitty when his daily production does not reach the amount needed for a fair day's pay; as for example, tough jobs, feeling sick, and so on.²⁴ In the plant—since the foremen follow the conditions in the psychological work contract, they encourage the employees not to produce (or turn in) work past the informally accepted level.

The foremen also tend to use the piece-rate system to explain difficulties. If production is low, the piece rates are too tight or the flow of material from the previous department is slow. If they are asked how employee morale can be increased, they tend to answer "by better piece rates." When changes are made, the most important consideration is to make certain that the new rates are slightly loose in order that the employees accept the changes without much resistance. Everyone, employees and foremen, is so piece-rate oriented that the system has taken over many of the leadership functions in the plant.

SUMMARY OF CONCLUSIONS

Hypotheses are inferred from an organizational theory and tested in an organizational setting. In accordance with the theory, employees who are provided greater opportunity to express more mature predispositions differ significantly from employees required to express behavior closer to the infant end of the personality model as follows:

Employees in high-skilled jobs

1. Aspire for high-quality work as well as an acceptable rate of productivity.
2. Express high interest in their actual jobs.
3. Express low emphasis on money (as long as present wages are viewed as being fair).

Employees in low-skilled jobs

1. Aspire primarily to an acceptable rate of productivity.
2. Express little interest in their work.
3. Express high emphasis on money (even though present wages are viewed as being fair).

²⁴For similar findings see the research on incentive systems as integrated by William F. Whyte, *Money and Motivation* (New York, 1955).

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| 4. Express a sense of self-worth related to their technical competence (but not interpersonal competence). | 4. Express almost no sense of self-worth related to technical or interpersonal competence. |
| 5. Show low spoilage of work. | 5. Show high spoilage of work. |
| 6. Develop strong and lasting friendships. | 6. Develop few strong and lasting friendships. |
| 7. Participate in creative activities outside the plant. | 7. Participate in noncreative activities outside the plant. |

The research also shows that the employees modify the organization by creating an informal employee culture which coerces and sanctions behavior that helps to guarantee employee actualization. Through the psychological work contract the employees also influence foremen's leadership behavior toward being more passive. Although this increases management's pressure on the foremen, it acts to prevent disequilibrium in the employee's world. This in turn feeds back to maintain the present psychological adaptations of the employee to the organization. It also permits the organization to obtain expression of what it (through its management) desires. Thus the plant has adequate production, high loyalty, low absenteeism, low turnover, and a low rate of grievances.